



January 26, 2006

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## HOUSE BILL No. 1173

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DIGEST OF HB 1173 (Updated January 25, 2006 4:17 pm - DI 103)

**Citations Affected:** Noncode.

**Synopsis:** Lifelong learning matching grant. Establishes a pilot lifelong learning matching grant program. Allows the department of workforce development to award certain employees matching grants of up to \$500 to pay for eligible education expenses.

**Effective:** Upon passage; July 1, 2006.

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**Harris T, Walorski, Mays**

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January 9, 2006, read first time and referred to Committee on Commerce, Economic Development and Small Business.  
January 25, 2006, reported — Do Pass.

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HB 1173—LS 6954/DI 114+



January 26, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

## HOUSE BILL No. 1173

A BILL FOR AN ACT concerning professions and occupations.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. [EFFECTIVE JULY 1, 2006] (a) As used in this  
2       SECTION, "department" refers to the department of workforce  
3       development.

4       (b) As used in this SECTION, "eligible education expense"  
5       means a payment for education, including tuition and fees and  
6       similar payments, books, supplies, equipment, and tools or supplies  
7       that may be retained by an eligible employee after completion of a  
8       course of instruction, other than the following:

9               (1) Meals, lodging, or transportation.

10              (2) Any course or other educational activity involving sports,  
11              games, or hobbies.

12       (c) As used in this SECTION, "eligible employee" means an  
13       individual who:

14              (1) is an employee of an employer; and

15              (2) has the employee's principal place of business with the  
16              employer in Indiana.

17       (d) As used in this SECTION, "employer" means a corporation,  
18       person, partnership, limited liability company, or limited liability

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partnership that employs at least one (1) eligible employee.

(e) As used in this SECTION, "fund" refers to the lifelong learning grant fund established by this SECTION.

(f) As used in this SECTION, "grant" refers to a lifelong learning grant awarded under this SECTION.

(g) The lifelong learning grant fund is established to carry out the purposes of this SECTION. The fund shall be administered by the department. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Except as provided in subsection (h), the money in the fund at the end of a state fiscal year does not revert to the state general fund.

(h) Money remaining in the fund after termination of the lifelong learning grant program shall be deposited in the state general fund.

(i) The life long learning grant program is established as a pilot program to encourage life long learning practices by individuals. The department shall administer the program.

(j) Money deposited in the fund shall be allocated as follows:

(1) Not more than one hundred thousand dollars (\$100,000) to be used by the department for administering the program, including:

(A) developing the program;

(B) marketing the program to eligible employees and employers; and

(C) conducting a study of the program as required by subsection (u).

(2) The money remaining in the fund to be awarded as matching grants as prescribed by this SECTION.

(k) The department may contract with private persons or businesses to administer the lifelong learning grant program established by this SECTION.

(l) The department shall establish a program to provide information to individuals about the lifelong learning grant program established by this SECTION.

(m) The department shall award grants from the fund to eligible employees to pay eligible education expenses incurred by the eligible employee after July 1, 2006, but before June 1, 2008.

(n) Except as provided in subsection (o), a grant may be awarded under this SECTION only if the grant is used to match payment of eligible education expenses by an:

(1) eligible employee; and

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1 (2) employer.

2 (o) A grant may be awarded under this SECTION without  
3 payment of eligible education expenses by an eligible employee if  
4 the eligible employee had adjusted gross income (as defined in  
5 IC 6-3-1-3.5) of not more than thirty thousand dollars (\$30,000) for  
6 the taxable year preceding the taxable year in which the eligible  
7 education expenses were incurred.

8 (p) To receive a grant from the department, an eligible  
9 employee must:

10 (1) have incurred eligible education expenses;

11 (2) provide the department with proof of the amount of the  
12 eligible employee's payment of eligible education expenses;

13 (3) provide the department with proof of the amount of the  
14 employer's payment of an eligible employee's eligible  
15 education expenses; and

16 (4) apply for the grant in the manner prescribed by the  
17 department on or before June 1, 2008.

18 (q) Subject to subsection (r), the amount of a grant awarded by  
19 the department under this SECTION may not exceed the least of:

20 (1) the eligible employee's payment of eligible education  
21 expenses if the eligible employee is required to make a  
22 payment under subsection (n);

23 (2) the employer's payment of an eligible employee's eligible  
24 education expenses; or

25 (3) five hundred dollars (\$500).

26 (r) The amount of the eligible education expenses incurred by an  
27 eligible employee must be greater than or equal to the sum of:

28 (1) the amount the eligible employee pays for eligible  
29 education expenses;

30 (2) the amount the employer pays for the eligible employee's  
31 eligible education expenses; and

32 (3) the amount of a grant awarded by the department under  
33 this SECTION.

34 (s) An eligible employee may not receive more than one (1)  
35 grant per calendar year.

36 (t) The department shall record the time of filing of each  
37 completed application submitted under subsection (p)(4). The  
38 department shall award grants meeting all the requirements of this  
39 SECTION in the chronological order in which the applications are  
40 filed.

41 (u) The department shall provide for a study of the pilot lifelong  
42 learning grant program established by this SECTION. The

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1 evaluation must include a fiscal analysis of the program and an  
 2 assessment of the effectiveness of the program, including analysis  
 3 of:

- 4 (1) participation in the program by employers and eligible  
 5 employees;
- 6 (2) investment in educational activities and courses that  
 7 promote lifelong learning by eligible employees;
- 8 (3) attitudes of employers and eligible employees toward  
 9 lifelong learning;
- 10 (4) eligible employee job promotion and retention rates; and
- 11 (5) any other area that the department believes will benefit  
 12 the ability to evaluate the effectiveness of the program.

13 The study must measure the extent to which lifelong learning  
 14 practices are increased. The analysis may include a review of the  
 15 practices and experiences of other states or political subdivisions  
 16 with laws similar to this SECTION.

17 (v) The department:

- 18 (1) shall require employees who apply for a grant under this  
 19 SECTION to provide the information that the department  
 20 determines is necessary to carry out the study required by this  
 21 SECTION;
- 22 (2) shall report to the legislative council, not later than  
 23 November 1 of each year, in an electronic format under  
 24 IC 5-14-6, on the progress of its study;
- 25 (3) subject to the approval of the budget agency, may receive  
 26 and accept gifts and other donations from any public or  
 27 private source in its administration of the program; and
- 28 (4) may adopt rules under IC 4-22-2 to implement this  
 29 SECTION.

30 (w) Notwithstanding IC 5-28-27-3(b), there shall be allocated on  
 31 the first business day after June 30, 2006, three hundred thousand  
 32 dollars (\$300,000) from the skills 2016 training fund to carry out  
 33 this SECTION.

34 (x) This SECTION expires July 1, 2008.

35 SECTION 2. [EFFECTIVE UPON PASSAGE] The department of  
 36 workforce development may adopt temporary rules in the manner  
 37 provided by IC 4-22-2-37.1 for the adoption of emergency rules to  
 38 carry out the pilot lifelong learning grant program as established  
 39 by SECTION 1 of this act. A temporary rule adopted under this  
 40 SECTION expires on the latest of the following:

- 41 (1) The date the temporary rule is superseded by another  
 42 temporary rule adopted under this SECTION.

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- 1           **(2) The date the temporary rule is superseded by a rule**
- 2           **adopted under IC 4-22-2.**
- 3           **(3) December 31, 2008.**
- 4           **SECTION 3. An emergency is declared for this act.**

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic Development and Small Business, to which was referred House Bill 1173, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

HARRIS T, Chair

Committee Vote: yeas 10, nays 0.

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